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CAMERON PARISH WATERWORKS
DISTRICT NO. 9

FINANCIAL STATEMENTS

December 31, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/29/09

CAMERON WATERWORKS DISTRICT NO. 9
December 31, 2008

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REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAMERON PARISH WATERWORKS DISTRICT NO 9
December 31, 2008

Management's Discussion and Analysis

Our discussion and analysis of the Cameron Parish Waterworks No 9 (the District) financial performance provides an overview to the District's financial activities for the year ended December 31, 2008. Please read in conjunction with the District's basic financial statements which begin on page 8.

Financial Highlights

- * The District's net assets increased by \$11,047 or 0.29% during the year ended December 31, 2008.

Using This Annual Report

This annual report consists of Management's Discussion and Analysis, the basic financial statements, and notes to the financial statements. Management's Discussion and Analysis provides a narrative of the District's financial performance and activities for the year ended December 31, 2008. The basic financial statements provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The basic financial statements consist of three statements:

- * The Statement of Net Assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- * The Statement of Activities presents information showing how the District's net assets changes during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Certain revenues and expenses are reported in this statement that will result in cash flows in future periods.
- * The Statement of Cash Flows presents information showing how the District's cash changed during the most recent fiscal year. It shows the sources and uses of cash.

See Independent Auditor's Report

Financial Analysis of the District as a Whole

A summary of net assets is presented on the next page.
See Independent Auditor's Report

CAMERON PARISH WATERWORKS NO. 9

December 31, 2008

Management's Discussion and Analysis

Table 1
Net Assets

	<u>2008</u>	<u>2007</u>	<u>% Change</u>
Current Assets	\$ 894,342	\$ 766,117	16.74 %
Restricted assets	2,683	2,660	.86 %
Capital assets, net of depreciation	<u>2,284,956</u>	<u>2,992,727</u>	<u>(3.60%)</u>
Total Assets	\$ 3,781,981	<u>\$3,761,504</u>	<u>.54%</u>
Current liabilities	\$ 29,014	\$ 29,584	(1.92%)
Current liabilities payable from restricted assets	<u>----</u>	<u>---</u>	<u>-----</u>
Noncurrent liabilities			
Total Liabilities	\$ <u>29,014</u>	\$ <u>29,584</u>	<u>(1.92%)</u>
Invested in capital assets	2,884,956	\$2,992,727	(3.60%)
Unrestricted net assets	615,595	495,771	24.17%
Restricted –protested taxes	<u>242,416</u>	<u>243,422</u>	<u>(.41%)</u>
Total Net Assets	\$ <u>3,742,967</u>	\$ <u>3,731,920</u>	<u>.30 %</u>

Invested in capital assets represent the District's long-term investment in capital assets, net of accumulated depreciation, and is not available for current operations.

A summary of changes in net assets is presented below.

Table 2
Changes in Net Assets

	Year Ended <u>2008</u>	Year Ended <u>2007</u>	<u>% Change</u>
Operating revenues (charges for services, leases and other)	\$ 131,460	\$119,982	9.56 %
Non-operating revenues and expenses(government subsidies and interest income)	<u>308,530</u>	<u>376,489</u>	<u>(18.05%)</u>
Total Revenues	\$ <u>439,990</u>	\$ <u>496,471</u>	<u>(11.38%)</u>
Operating expenses			
Depreciation	115,388	107,708	7.13%
Other	<u>313,555</u>	<u>253,778</u>	<u>23.55%</u>
Total Expenses	\$ 428,943	<u>361,486</u>	<u>18.66%</u>
Change in net assets	\$ <u>11,047</u>	\$ <u>134,985</u>	<u>(91.28%)</u>
See Independent Auditor's Report			

CAMERON PARISH WATERWORKS DISTRICT NO 9
December 31, 2008

Management's Discussion and Analysis

Capital Assets

At December 31, 2008, the District had \$2,884,956 and \$2,992,927 respectively, invested in capital assets, including water improvements at net value after depreciation. Additions to capital assets during the year ended December 31, 2008 was \$107,000.

Current Liabilities Payable from Restricted Assets

N/A

Non-Current Liabilities

N/A

Other Currently Known Facts, Decision, or Conditions

In management's opinion the cash balance that the District has acquired will be maintained under present operating projection except for expending the current and prior year FEMA proceeds and prior year insurance proceeds to rebuild the District's infrastructure.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Cameron Parish Waterworks District No.9 at P.O. Box 339, Grand Chenier, LA 70643.

See Independent Auditor's Report

ELLIOTT AND ASSOCIATES

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W. Micheal Elliott, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners

Cameron Parish Waterworks District No. 9

I have audited the accompanying basic financial statements of the Cameron Parish Waterworks District No. 9, a component unit of the Cameron Parish Police Jury, as of and for the year ended December 31, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the Cameron Parish Gravity District No. 9's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Cameron Parish Waterworks District No. 9 as of and for the year ended December 31, 2008, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages 1 through 5 is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, I have also issued my reported dated February 25, 2009, on my consideration of the Cameron Waterworks No.9's internal control over financial reporting and my tests of its compliance with certain provision of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the result of my audit.

Elliott & Assoc. "APAC"

Leesville, Louisiana
February 25, 2009

BASIC FINANCIAL STATEMENTS

CAMERON WATERWORKS DISTRICT NO. 9

STATEMENT OF NET ASSETS

December 31, 2008

ASSETS

ASSETS

Current assets

Cash and cash equivalents (Note 2)	\$602,776
Receivables (Note 3):	
Water service customers	5,100
Ad valorem taxes	286,466
Prepaid expense	<u>---</u>

Total current assets	<u>\$894,342</u>
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Restricted assets

Cash (Note 2)	2,683
Ad valorem taxes receivable (Note 3)	<u>---</u>

Total restricted assets	<u>2,683</u>
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Noncurrent assets

Capital assets, net of accumulated depreciation (Note 4)	2,346,787
Construction in progress (Notes 4 and 5)	<u>538,169</u>

Total noncurrent assets	<u>\$2,884,956</u>
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TOTAL ASSETS	<u>\$3,781,891</u>
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The accompanying notes are an integral part of this statement.

LIABILITIES**Current liabilities**

Matured interest payable	\$ 408
Accounts payable	4,142
Refund deposits payable	120
Deferred revenue	10,692
Sales taxes payable	214
Salaries payable	16,119
Advalorem deductions payable	7,110
Other payables	<u>209</u>

Total current liabilities \$39,014

NET ASSETS

Invested in capital assets (Notes 4 and 5)	\$2,884,956
Restricted - protested taxes	242,416
Unrestricted	<u>615,595</u>

TOTAL NET ASSETS \$ 3,742,967

CAMERON WATERWORKS DISTRICT NO. 9
Statement of Revenues, Expenses and
Changes in Net Assets
For the year ended December 31, 2008

OPERATING REVENUES

Charges for sales and services:	
Water sales	\$ 124,608
Penalties	5,877
Water tap fees	975
Total operating revenues	<u>\$ 131,460</u>

OPERATING EXPENSES

Current:	
Insurance	22,419
Salaries and related benefits	113,812
Per diem of board members	2,580
Operation of plant	174,744
Depreciation (Note 4)	115,388
Total operating expenses	<u>\$ 428,943</u>

Operating loss **\$ (297,483)**

Non-Operating Revenues (Expenses):

Fema proceeds	23,328
Ad valorem taxes (Note 3)	282,312
Miscellaneous revenue	1,376
Interest income	8,624
Deduction from ad valorem taxes (Note 3)	<u>(7,110)</u>
Total non-operating revenues	<u>\$308,530</u>

Change in net assets 11,047

NET ASSETS - BEGINNING OF YEAR 3,731,920

NET ASSETS - END OF YEAR \$ 3,742,967

The accompanying notes are an integral part of this statement.

CAMERON WATERWORKS DISTRICT NO. 9
Cash Flow Statement
For the year ended December 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 132,441
Cash payments to suppliers	
For goods and service	(189,972)
Cash payments to employees for services	<u>(107,214)</u>
Net cash provided by operating activities	<u>(164,745)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Fema Proceeds	23,328
Miscellaneous Income	<u>1,376</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>24,704</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Ad valorem taxes	210,938
Acquisition of property, plant and equipment	(107,001)
Construction In Progress	<u>99,384</u>
NET CASH PROVIDED BY CAPITAL FINANCING ACTIVITIES	<u>203,321</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>8,624</u>
Increase in cash and cash equivalents	71,904
CASH, BEGINNING OF YEAR	<u>533,555</u>
CASH, END OF YEAR	<u>605,459</u>
CLASSIFIED AS:	
Unrestricted	602,776
Restricted	<u>2,683</u>
TOTAL CASH	<u><u>605,459</u></u>

(Continued)

CAMERON WATERWORKS DISTRICT NO. 9
Cash Flow Statement
For the year ended December 31, 2008

RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING
ACTIVITIES

Operating income (loss) \$ (297,483)

Adjustments to reconcile operating income
to net cash provided by operating
activities:

Depreciation 115,388

Changes in assets and liabilities:

Accounts receivable 7,833

Other current 87

Accounts payable (2,008)

Other current liabilities 6,826

Deferred revenue 4,612

Customer deposits 0

Net cash provided by operating activities (164,745)

CAMERON WATERWORKS DISTRICT NO. 9
December 31, 2008

Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

The accounting and reporting policies of Cameron Waterworks District No. 9 (the District) conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*. The following is a summary of certain significant accounting policies.

Reporting Entity

The reporting entity for Cameron Waterworks District No. 9 consists of the Cameron Parish Council, which, as governing authority of the parish, has oversight responsibility over other governmental units (component units) within the parish. In accordance with GASB Codification Section 2100, Cameron Waterworks District No. 9 is considered a component unit of the parish reporting entity because (1) commissioners of the District are appointed by the Cameron Parish Council and (2) the District provides water service to residents within Cameron Parish. While Cameron Waterworks District No. 9 is an integral part of the parish reporting entity and should be included within the financial statements of that reporting entity, GASB Codification Section 2600 provides that a component unit may also issue financial statements separate from those of the reporting entity. Accordingly, the accompanying financial statements present information only on the financial operations of Cameron Waterworks District No. 9 and do not present information on the Cameron Parish Waterworks District No.9, the general government services provided by the District or on other component units that comprise the Cameron Parish reporting entity.

Fund Accounting

The accounts of Cameron Waterworks District No. 9 are organized on the basis of Enterprise Fund accounting used by governmental entities. The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

CAMERON WATERWORKS DISTRICT NO. 9
December 31, 2008

Notes to the Financial Statements (continued)

The District applies all applicable FASB pronouncements passed on or before November 30, 1989, in accounting and reporting for its proprietary fund operations unless those pronouncements conflict with or contradict GASB pronouncements.

Method of Accounting

The District has adopted the provisions of Statement 34 of the Governmental Accounting Standards Board, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Statement 34 established standards for external reporting for all state and local governmental entities, which includes a statement of net assets, a statement of activities and changes in net assets and a statement of cash flows. It requires the classification of net assets into three components - invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

Invested in capital assets, net of related debt consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the unspent related debt proceeds at the year-end. The portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales and services. The District also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

CAMERON WATERWORKS DISTRICT NO. 9
December 31, 2008

Notes to the Financial Statements (continued)

Cash, Cash Equivalents and Investments

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state of the Union, or the laws of the United States. The District may invest in certificate and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

The District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Utility Customer Receivables

Utility customer receivables on the accompanying Statements of Net Assets are considered to be fully collectible at December 31, 2008. Uncollectible amounts are recognized as bad debts through the establishment of an allowance account at the time information becomes available, which would indicate the uncollectibility of an account.

Capital Assets

All fixed assets of the proprietary fund are recorded at historical costs. Depreciation of all exhaustible fixed assets is charged as an expense against their operations. Pre-construction costs associated with the development of the water system, which include engineering, legal, and interest costs are capitalized and will be amortized over their estimated useful lives using the straight-line method. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives and methods are used to compute depreciation:

Building	45 years	Straight Line
Plant and Distribution System	45 years	Straight Line
Furniture, Fixtures and Equipment	3-11 years	Straight Line

Depreciation and amortization expenses amounted to \$115,388 for the year ended December 31, 2008.

CAMERON WATERWORKS DISTRICT NO. 9
December 31, 2008
Notes to the Financial Statements (continued)

Compensated Absences

Vested or accumulated vacation and sick leave are recorded on the Cameron Parish Police Jury records as the benefits accrued to employees. No liability is recorded for compensated absences that relate to future service or that are contingent on a specific event that is outside the control of the employer and employees.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimated and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

2. CASH AND INVESTMENT COLLATERAL

Under state law, the District may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in United States bonds, treasury notes, time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, investments as stipulated in state law, or any other federally insured investment.

At December 31, 2008, the District had cash and investments as follows:

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>TOTAL</u>
Cash (demand deposits) and certificate of deposit	<u>\$ 602,776</u>	<u>\$ 2,683</u>	<u>\$ 605,459</u>

At year end, the carrying amount of the District's deposit(demand deposits) was \$605,459, and the bank balances were \$608,652.A summary of collateralization of bank balances is presented below.

Insured (Federal deposit insurance)	\$400,000
Uncollateralized (In accordance with GAAP-see below)	<u>\$208,652</u>
	<u>\$608,652</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting

CAMERON PARISH WATERWORKS DISTRICT No. 9

December 31, 2008

Notes to the Financial Statements

bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent.

The uncollateralized amount shown above is secured by pledged securities with a market value of \$243,416 held in the name of the pledging fiscal agent banks in holding or custodial banks. Even though the pledged securities are considered uncollateralized under GAAP, Louisiana Revised Statutes impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand

3. RECEIVABLES

Receivables at December 31, 2008 consist of the following:

Ad valorem taxes--unrestricted	\$ 286,466
Accounts	<u>5,100</u>
Net total receivables	<u>\$ 291,566</u>

The amount included in the ad valorem receivable on the balance sheet is for ad valorem taxes which attach as an enforceable lien on property as of January 1 of each year. Taxes are levied to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The District utilizes the Cameron Parish Tax Collector/Sheriff to bill and collect its property taxes using the assessed values determined by the tax assessor of Cameron Parish.

For the year ended December 31, 2008, taxes of 6.34 mills were levied on property with assessed valuation totaling \$44,256,832 and is dedicated to the operations of the drainage district.

CAMERON PARISH WATERWORKS DISTRICT No. 9

December 31, 2008

Notes to the Financial Statements

The total amount levied was \$283,686. Furthermore, collections of delinquent taxes and other adjustments resulted in total collections of \$282,312.

4. CHANGES IN CAPITAL ASSETS

	Balance 12/31/07	Additions	Retirements	Balance 12/31/08
Land	\$ 20,000	\$ ---	\$ ---	\$ 20,000
Buildings	---	106,050	---	106,050
Other assets	37,594	---	---	37,594
Improvements other than building	4,433,230	---	---	4,433,230
Furniture & equipment	<u>131,844</u>	<u>950</u>	<u>---</u>	<u>132,795</u>
Totals	<u>\$ 4,622,668</u>	<u>\$107,000</u>	<u>\$ ---</u>	<u>\$4,729,669</u>
Accumulated depreciation				<u>(2,382,882)</u>
Net capital				
Assets, excluding construction in progress (see below)				<u>2,346,787</u>

Depreciation expense included in the financial statements for the fiscal year is \$115,388.

5. CONSTRUCTION IN PROGRESS

At December 31 2008 there was \$538,169 recorded as construction in progress. This amount represents the cumulative amount the District has spent in FEMA related expenditures to replace assets destroyed in 2005 and 2008 by Hurricanes Rita and Ike.

These expenditures include replacing water distribution system equipment, filters, office building and other water district assets. When these assets are completed in 2009, they will be properly classified by asset class and depreciated accordingly, when placed in service in 2009.

CAMERON WATERWORKS DISTRICT NO. 9
December 31, 2008

Notes to the Financial Statements (Continued)

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District carries commercial insurance as outlined in the following table. Settled claims did not exceed commercial coverage for any of the past three fiscal years.

LIMITS OF <u>COVERAGE</u>	
Workmen's compensation	\$ 225,000
Auto liability	100,000
Commercial general liability	1,000,000
District-owned buildings and equipment	1,276,419

The District covers all other losses, claim settlements, and judgments from operating expenses. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The District was not involved in any litigation nor did it have asserted claims lodged against it.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

ELLIOTT & ASSOCIATES, INC.
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W. Michael Elliott, CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
CAMERON WATERWORKS DISTRICT NO.9

I have audited the financial statements of the Cameron Waterworks District No.9, Inc. as of and for the year ended December 31, 2008, and have issued my report thereon dated February 25, 2009. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Cameron Waterworks District No.9, Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, process, record, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cameron Waterworks District No.9, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and the Louisiana Legislative Auditor and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Elliott & Assoc. "APAC"

Leesville, Louisiana

February 25, 2009

Cameron Parish Waterworks District NO 9

SCHEDULE OF PRIOR YEAR FINDINGS

For The Fiscal Year Ended December 31, 2008

SECTION I INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS

There were no prior year findings relating to internal control and compliance material to the financial statements.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

There were no prior year findings relating to internal control and compliance material to federal awards.

SECTION III MANAGEMENT LETTER

There was no management letter with the prior year audit report.

SUPPLEMENTARY INFORMATION

**CAMERON WATERWORKS DISTRICT NO. 9
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
FOR THE YEAR ENDED December 31, 2008**

The schedule of per diem paid to board members was prepared in compliance with House Concurrent Resolution NO. 54 of the 1979 session of the Legislature.

As provided by Louisiana Revised Statute 33:4564, the Board Members received \$60 per diem during 2008.

	<u>Number Attended</u>	<u>Amount</u>
Thompson McCall	10	\$ 600
John A. Conner	5	300
Velma Doland	6	360
Wendell Rutherford	12	720
Theodore Broussard	4	240
Tina Horn	<u>6</u>	<u>360</u>
Totals	<u>43</u>	<u>\$2,580</u>

See independent auditor's report.